

NEW MEXICO STATE Office

P.O. Box 27115

SANTA FE, NM 87502-0115



COMPETITIVE Oil & Gas LEASE SALE



January 16, 2002

www.nm.blm.gov

Bureau of Land Management

1474 Rodeo Road

Santa Fe NM



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

New Mexico State Office
1474 Rodeo Road
P. O. Box 27115
Santa Fe, New Mexico 87502-0115

IN REPLY REFER TO:

3120 (NM930-lbo)

Nov 26 2001

NOTICE OF COMPETITIVE LEASE SALE

Oil and Gas

SALE LOCATION ADDRESS

**Bureau of Land Management
1474 Rodeo Road
Santa Fe, New Mexico 87505**

Notice is hereby given that on **January 16, 2002**, the U.S. Department of the Interior, Bureau of Land Management, New Mexico State Office, will offer for competitive sale, pursuant to Title 43 CFR Part 3120 and procedures herein, certain Federal lands for oil and gas leasing.

LOCATION: The sale will be held in the second floor conference room, at the Bureau of Land Management, 1474 Rodeo Road, Santa Fe, New Mexico, 87505. You must be present to bid.

TIME: The competitive oral auction will commence at 9 a.m. on **January 16, 2002**. The sale room will be open to the public one hour prior to the time indicated above, to allow each interested party time to obtain a bidding number from authorized Bureau personnel.

REGISTRATION AND BIDDING NUMBERS: Bidders will be required to obtain a bidding number prior to making any bid. Registration of bidders is required to speed paperwork and will commence at 8 a.m., January 16, 2002.

LANDS OFFERED: The lands to be offered are described herein. Parcels will be offered for oral bid in the order shown in this Notice of Competitive Lease Sale.

TERMS OF LEASE: Leases awarded as a result of this oral auction will be for a primary term of 10 years, and so long thereafter as there is production in paying quantities. The royalty will be at a flat rate of 12-1/2 percent of the value or the amount of production removed or sold from the lease. Other terms of the lease are specified on the standard lease (Form 3100-11b, October 1992 edition).

OTHER CONDITIONS: Specific surface use stipulations, where applicable, are specified for each parcel in this Notice of Competitive Lease Sale. Such stipulations shall become part of the lease and shall supersede any inconsistent provisions of the lease form. General surface use requirements are contained in law and regulation. Further details regarding the stipulations can be obtained from the New Mexico State Office.

MINIMUM BID: The minimum acceptable bonus bid will be the lump sum equivalent of \$2 per acre or fraction thereof.

METHOD OF BIDDING: All bids shall be made orally and be based on a per-acre basis for the entire acreage in the parcel and not on the total bid amount. The bid must be rounded up to the next whole acre if fractional acreage is involved, e.g., a parcel of 644.38 acres will require a minimum bid of at least \$1,290.00 (\$2 X 645 acres) to open the bidding process.

FRACTIONAL INTERESTS: For some of the parcels, as indicated in the list, the United States holds less than 100 percent of the oil and gas rights. Any lease issued will be only for the percentages or fractions indicated. However, bonus bids and rentals for such parcels shall be based on the gross acreage in the parcel, not the net U.S. interest. Acreage chargeability and production royalty are, in contrast, calculated on the net U.S. interest.

RIGHT TO WITHDRAW PARCELS FROM SALE: The Bureau of Land Management reserves the right to withdraw any or all of the parcels from the sale prior to or at the oral auction. In the event of cancellation of the sale, every effort will be made to give appropriate notice to all interested parties. If and when any individual parcels are withdrawn, notice thereof will be posted in the Public Room at the New Mexico State Office, 1474 Rodeo Road, Santa Fe, New Mexico, 87505.

DETERMINATION OF WINNING BID: A winning bid will be the highest oral bid, equal to or exceeding the national minimum acceptable bid specified above. The decision of the auctioneer shall be final.

PAYMENT OF BONUS BID, RENTAL AND ADMINISTRATIVE FEE: A bid shall not be withdrawn and shall constitute a legally binding commitment to execute the lease bid form and accept a lease, including the obligation to pay the bonus bid, first year's rental, and administrative fee. Winning bidders shall be required to make payment for the parcel on the day of the oral auction for a total amount consisting of: (1) a bonus bid deposit of at least \$2 per acre or fraction thereof; (2) the total amount of the first year's annual rental, at a rate of \$1.50 per acre or fraction thereof; and (3) an administrative fee of \$75 per parcel. Failure to pay this minimum deposit may result in assessment of civil penalties pursuant to the Federal Oil and Gas Royalty Management Act. This amount must be tendered at the close of business 4:00 the day of the sale. The entire amount due may be paid at this time. Any unpaid balance of the bonus bid must be received by the New Mexico State Office by the close of business on the tenth (10th) working day following the auction, which is 4:00 p.m., January 30, 2002, or all monies held by BLM and the right to issuance of the lease shall be forfeited. Any parcel so forfeited may be re-offered by BLM competitively at a later oral auction. Successful bidders for the future interest parcels are subject to these same conditions except (2) above in that no rental or royalty shall be due to the United States prior to the vesting of the oil and gas rights in the United States.

FORM OF PAYMENT: Payment shall be made by personal check, certified check, or money order (SUCH FORMS OF PAYMENT MUST BE MADE PAYABLE TO THE DEPARTMENT OF THE INTERIOR - BLM), or by CREDIT CARD (VISA OR MASTERCARD ACCEPTED ONLY). Payment by cash is NOT allowed.

BID FORM REQUIRED; AVAILABILITY: Pursuant to Title 43 CFR 3120.5, successful high bidders will be required to submit WITH the required payments for each parcel on the day of the oral auction of such parcel, a properly signed current competitive lease bid form (Form 3000-2, October 1989). A separate bid form must be submitted for each parcel. This form is a legally binding offer by the prospective lessee to accept a lease pursuant to the terms and conditions specified herein for the parcel and on the standard lease form. Form 3000-2 may be obtained and executed by the prospective lessee or an authorized representative PRIOR to the oral auction. If the bid form is fully completed before the oral auction, it cannot be modified; portions of the form may be left blank to be completed by the bidder at the auction. If the bid form is not executed prior to the oral auction, the prospective lessee shall be required to complete and sign the bid form at the auction when the payment is tendered. Form 3000-2, when completed, certifies compliance with lessee qualifications (See Title 43 CFR 3102.5-2) and also certified compliance with 18 U.S.C. 1860, which prohibits unlawful combination of/or intimidation of bidders and certifies that the bid was arrived at independently without unlawful collusion. Forms 3000-2 and 3100-11b are made a part of this sale notice.

AWARD/ISSUANCE OF LEASES: Prospective lessees are advised that leases may be issued, upon signature by the authorized officer, without further action on their part, once all remaining bonus bid monies are timely received. The effective date of the lease shall be the first day of the month following execution of the lease form by the authorized officer, except that leases may, upon written request from the lessee received prior to signature on the lease by the authorized officer, be effective the first day of the month in which issued. Leases for future interest shall be effective as of the date the mineral interests vest in the United States, all else being regular.

UNSOLD PARCELS: Parcels contained in this Notice of Competitive Lease Sale for which no bids are received at the oral auction and no noncompetitive pre-sale offers are pending, and which have not been withdrawn from the sale by BLM, shall be available for regular noncompetitive lease offer in accordance with Title 43 CFR Subpart 3110 for a 2-year period. The 2-year period shall commence at 9 a.m., January 17, 2002, the hour the public room opens on the first business day after the auction, and ending at 4 p.m., January 16, 2004. All noncompetitive offers received on that first business day following the auction will be considered simultaneously filed. Offers received thereafter shall receive priority as of the date and time of filing, as specified at Title 43 CFR 1821.2-3(a). A drop box will be available at the auction for noncompetitive offers for any parcel which has received no national minimum acceptable bid and all offers placed in the box shall be considered simultaneously filed during the first business day following the close of the oral auction. The drop box will be available until 1 hour following the close of the oral auction. Conflicting applications filed during the first business day following the auction and/or placed in the drop box at the sale will be prioritized by public drawing. This drawing will be held in the BLM Public Room in Santa Fe, NM at 3 p.m. on January 21, 2002.

PENDING NONCOMPETITIVE PRESALE OFFERS: A presale noncompetitive offer filed in accordance with Title 43 CFR 3110.1(a) for a parcel offered at the sale, and for which no bid is received, has first priority over an offer filed after the sale. Parties are cautioned that any lands in a parcel not sold at the auction, which are subject to a pending noncompetitive presale offer, may not be available for further noncompetitive filings. Those lands will be issued to the party who submitted the pre-sale offer, all else being regular. However, if it is announced at the beginning of the sale that the pre-sale offer has been withdrawn, noncompetitive filings will be accepted after the sale for that parcel. Parcels with pending noncompetitive pre-sale offers are identified in this Notice of Competitive Lease Sale by the notation "Pending Presale Offer No." , indicated after the parcel description.

PUBLIC NOTICE

Bidders are reminded that a bid shall not be withdrawn and shall constitute a legally binding commitment to execute the lease bid form and accept a lease, including the obligation to pay the bonus bid, first year's rental, and administrative fee. There have been cases in past oral auctions where the minimum deposit due from the high bidder on the day of the auction was not paid, or was paid by a check drawn on an account with insufficient funds. The Bureau of Land Management will be closely monitoring situations of this nature to determine whether further measures should be initiated to protect the integrity of the system.

DUE TO BUDGET RESTRAINTS, EXTRA COPIES OF THE SALE NOTICE WILL NO LONGER BE PROVIDED AT THE SALE. HOWEVER, THEY WILL BE AVAILABLE FOR PURCHASE FROM THE CASHIER.

NOTE: SHOULD ASSISTANCE BE NEEDED FOR THE HEARING OR VISUALLY IMPAIRED, PLEASE CONTACT THE NEW MEXICO STATE OFFICE AT (505) 438-7537 BY January 7, 2002. THE SALE SITE IS ACCESSIBLE TO THE HANDICAPPED.

*/s/ Lourdes B. Ortiz
Land Law Examiner
Fluids Adjudication Team*

**PLEASE FILL IN THE NAME AND ADDRESS AS IT SHOULD
APPEAR ON THE ISSUED LEASE**

NEW BIDDER REGISTRATION FORM

**BIDDER NO. _____
(Leave Blank)**

NAME: _____

TELEPHONE: _____

STREET: _____

CITY: _____

STATE: _____ ZIP CODE: _____

**THE LESSEE MUST BE QUALIFIED TO HOLD A FEDERAL OIL
AND GAS LEASE.**

SIGNATURE

DATE

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

**COMPETITIVE OIL AND GAS OR
GEOTHERMAL RESOURCES LEASE BID**
30 U.S.C. 181 et seq.; 30 U.S.C. 351-359;
30 U.S.C. 1001-1025; 42 U.S.C. 6508

FORM APPROVED
OMB NO. 1004-0074
Expires: May 31, 2000

State

Date of sale

PARCEL NUMBER

AMOUNT OF BID (See Instructions below)

TOTAL BID

PAYMENT SUBMITTED
WITH BID

THE BID IS FOR (Check one) :

☐ Oil and Gas Parcel Number _____

☐ Geothermal Parcel Number _____

Name of Known Geothermal Resource Area (KGRA)

The appropriate regulations applicable to this bid are: (1) for oil and gas leases—43 CFR 3120; (2) for National Petroleum Reserve-Alaska (NPR-A) leases—43 CFR 3132; and (3) for Geothermal resources leases—43 CFR 3220. (See details concerning lease qualifications on reverse.)

I CERTIFY THAT I have read and am in compliance with, and not in violation of, the lessee qualification requirements under the applicable regulations for this bid.

I CERTIFY THAT this bid is not in violation of 18 U.S.C. 1860 which prohibits unlawful combination or intimidation of bidders. I further certify that this bid was arrived at independently and is tendered without collusion with any other bidder for the purpose of restricting competition.

IMPORTANT NOTICE: Execution of this form, where the offer is the high bid, constitutes a binding lease offer, including all applicable terms and conditions. Failure to comply with the applicable laws and regulations under which this bid is made shall result in rejection of the bid and forfeiture of all monies submitted.

Print or Type Name of Lessee

Signature of Lessee or Bidder

Address of Lessee

City

State

Zip Code

INSTRUCTIONS

INSTRUCTIONS FOR OIL AND GAS BID
(Except NPR-A)

1. Separate bid for each parcel is required. Identify parcel by the parcel number assigned in the *Notice of Competitive Lease Sale*.
2. Bid **must** be accompanied by the national minimum acceptable bid, the first year's rental and the administrative fee. The remittance **must** be in the form specified in 43 CFR 3103.1-1. The remainder of the bonus bid, if any, **must** be submitted to the proper BLM office within 10 working days after the last day of the oral auction. **Failure to submit the remainder of the bonus bid within 10 working days will result in rejection of the bid offer and forfeiture of all monies paid.**
3. If bidder is **not** the sole party in interest in the lease for which the bid is submitted, all other parties in interest may be required to furnish evidence of their qualifications upon written request by the authorized officer.
4. This bid may be executed (*signed*) before the oral auction. If signed before the oral auction, this form cannot be modified without being executed again.
5. In view of the above requirement (4), bidder may wish to leave AMOUNT OF BID section blank so that final bid amount may be either completed by the bidder or the Bureau of Land Management at the oral auction.

INSTRUCTIONS FOR GEOTHERMAL OR
NPR-A OIL AND GAS BID

1. Separate bid for each parcel is required. Identify parcel by the number assigned to a tract.
2. Bid **must** be accompanied by one-fifth of the total amount of bid. The remittance **must** be in the form specified in 43 CFR 3220.4 for a Geothermal Resources bid and 3132.2 for a NPR-A lease bid.
3. Mark envelope Bid for Geothermal Resources Lease in (*Name of KGRA*) or Bid for NPR-A Lease, as appropriate. Be sure correct parcel number of tract on which bid is submitted and date of bid opening are noted plainly on envelope. No bid may be modified or withdrawn unless such modification or withdrawal is received prior to time fixed for opening of bids.
4. Mail or deliver bid to the proper BLM office or place indicated in the *Notice of Competitive Lease Sale*.
5. If bidder is **not** the sole party in interest in the lease for which bid is submitted, all other parties in interest may be required to furnish evidence of their qualifications upon written request by the authorized officer.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212 make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

(Continued on reverse)

OFFICIAL FILE COPY

Form 3000-2 (July 1997)

QUALIFICATIONS

For leases that may be issued as a result of this sale under the Mineral Leasing Act (The Act) of 1920, as amended, the oral bidder must: (1) Be a citizen of the United States; an association (*including partnerships and trusts*) of such citizens; a municipality; or a corporation organized under the laws of the United States or of any State or Territory thereof; (2) Be in compliance with acreage limitation requirements wherein the bidder's interests, direct and indirect, in oil and gas leases in the State identified do not exceed 246,080 acres each in public domain or acquired lands including acreage covered by this bid, of which not more than 200,000 acres are under options. If this bid is submitted for lands in Alaska, the bidder's holdings in each of the Alaska leasing districts do not exceed 300,000 acres, of which no more than 200,000 acres are under options in each district; (3) Be in compliance with Federal coal lease holdings as provided in sec. 2(a)(2)(A) of the Act; (4) Be in compliance with reclamation requirements for all Federal oil and gas holdings as required by sec. 17 of the Act; (5) Not be in violation of sec. 41 of the Act; and (6) Certify that all parties in interest in this bid are in compliance with 43 CFR Groups 3000 and 3100 and the leasing authorities cited herein.

For leases that may be issued as a result of this sale under the Geothermal Steam Act of 1970, as amended, the bidder must: (1) Be a citizen of the United States; an association of such citizens; a municipality; or a corporation organized under the laws of the United States or of any State or Territory thereof; and (2) Be in compliance with acreage limitation requirements wherein the bidder's interests, direct and indirect, do not exceed 51,200 acres; and (3) Certify that all parties in interest in this bid are in compliance with 43 CFR Group 3200 and the leasing authority cited herein.

For leases that may be issued as a result of this sale under the Department of the Interior Appropriations Act of 1981, the bidder must: (1) Be a citizen or national of the United States; an alien lawfully admitted for permanent residence; a private, public or municipal corporation organized under the laws of the United States or of any State or Territory thereof; an association of such citizens, nationals, resident aliens or private, public or municipal corporations, and (2) Certify that all parties in interest in this bid are in compliance with 43 CFR Part 3130 and the leasing authorities cited herein.

NOTICE

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this bid for a Competitive Oil and Gas or Geothermal Resources Lease.

AUTHORITY: 30 U.S.C. 181 et seq.; 30 U.S.C. 351-359; 30 U.S.C. 1001-1025; 42 U.S.C. 6508

PRINCIPAL PURPOSE: The information is to be used to process your bid.

ROUTINE USES: (1) The adjudication of the bidder's right to the resources for which this bid is made. (2) Documentation for public information. (3) Transfer to appropriate Federal agencies when comment or concurrence is required prior to granting a right in public lands or resources. (4)(5) Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions.

EFFECT OF NOT PROVIDING INFORMATION: Disclosure of the information is voluntary. If all the information is not provided, your bid may be rejected.

The Paperwork Reduction Act of 1995 (44 U.S.C. 3501 et seq.) requires us to inform you that:

This information is being collected in accordance with 43 CFR 3120, 43 CFR 3130, or 43 CFR 3220..

This information will be used to determine the bidder submitting the highest bid.

Response to this request is required to obtain a benefit..

BLM would like you to know that you do not have to respond to this or any other Federal agency-sponsored information collection unless it displays a currently valid OMB control number

BURDEN HOURS STATEMENT

Public reporting burden for this form is estimated to average 2 hours per response including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management, Bureau Clearance Officer (WO-630), 1620 L Street, Washington, D.C. 20036 and the Office of Management and Budget, Desk Officer for the Interior Department, Office of Regulatory Affairs (1004-0074), Washington, D.C. 20503.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Serial No. _____

OFFER TO LEASE AND LEASE FOR OIL AND GAS

The undersigned (*reverse*) offers to lease all or any of the lands in Item 2 that are available for lease pursuant to the Mineral Leasing Act of 1920, as amended and supplemented (30 U.S.C. 181 et seq.), the Mineral Leasing Act for Acquired Lands of 1947, as amended (30 U.S.C. 351-359), the Attorney General's Opinion of April 2, 1941 (40 Op. Atty. Gen. 41), or the

READ INSTRUCTIONS BEFORE COMPLETING

Name _____

Street _____

City, State, Zip Code _____

2. This application/offer/lease is for: (*Check only One*) ☐ PUBLIC DOMAIN LANDS

☐ ACQUIRED LANDS (percent U.S. interest _____)

Surface managing agency if other than BLM: _____ Unit/Project _____

Legal description of land requested: _____ *Parcel No.: _____ *Sale Date (m/d/y): _____ / _____ / _____

***SEE ITEM 2 IN INSTRUCTIONS BELOW PRIOR TO COMPLETING PARCEL NUMBER AND SALE DATE.**

T. _____ R. _____ Meridian _____ State _____ County _____

Amount remitted: Filing fee \$ _____

Rental fee \$ _____

Total acres applied for _____
Total \$ _____

DO NOT WRITE BELOW THIS LINE

3. Land included in lease:

T. _____ R. _____ Meridian _____ State _____ County _____

Total acres in lease _____

Rental retained \$ _____

This lease is issued granting the exclusive right to drill for, mine, extract, remove and dispose of all the oil and gas (*except helium*) in the lands described in Item 3 together with the right to build and maintain necessary improvements thereupon for the term indicated below, subject to renewal or extension in accordance with the appropriate leasing authority. Rights granted are subject to applicable laws, the terms, conditions, and attached stipulations of this lease, the Secretary of the Interior's regulations and formal orders in effect as of lease issuance, and to regulations and formal orders hereafter promulgated when not inconsistent with lease rights granted or specific provisions of this lease.

NOTE: This lease is issued to the high bidder pursuant to his/her duly executed bid or nomination form submitted under 43 CFR 3120 and is subject to the provisions of that bid or nomination and those specified on this form.

Type and primary term of lease:

THE UNITED STATES OF AMERICA

☐ Noncompetitive lease (ten years)

by _____
(Signing Officer)

☐ Competitive lease (ten years)

(Title) (Date)

☐ Other _____

EFFECTIVE DATE OF LEASE _____

4. (a) Undersigned certifies that (1) offeror is a citizen of the United States; an association of such citizens; a municipality; or a corporation organized under the laws of the United States or of any State or Territory thereof; (2) all parties holding an interest in the offer are in compliance with 43 CFR 3100 and the leasing authorities; (3) offeror's chargeable interests, direct and indirect, in each public domain and acquired lands separately in the same State, do not exceed 246,080 acres in oil and gas leases (of which up to 200,000 acres may be in oil and gas options), or 300,000 acres in leases in each leasing District in Alaska of which up to 200,000 acres may be in options; (4) offeror is not considered a minor under the laws of the State in which the lands covered by this offer are located; (5) offeror is in compliance with qualifications concerning Federal coal lease holdings provided in sec. 2(a)(2)(A) of the Mineral Leasing Act; (6) offeror is in compliance with reclamation requirements for all Federal oil and gas lease holdings as required by sec. 17(g) of the Mineral Leasing Act; and (7) offeror is not in violation of sec. 41 of the Act.

(b) Undersigned agrees that signature to this offer constitutes acceptance of this lease, including all terms, conditions, and stipulations of which offeror has been given notice, and any amendment or separate lease that may include any land described in this offer open to leasing at the time this offer was filed but omitted for any reason from this lease. The offeror further agrees that this offer cannot be withdrawn, either in whole or in part, unless the withdrawal is received by the proper BLM State Office before this lease, an amendment to this lease, or a separate lease, whichever covers the land described in the withdrawal, has been signed on behalf of the United States.

This offer will be rejected and will afford offeror no priority if it is not properly completed and executed in accordance with the regulations, or if it is not accompanied by the required payments. 18 U.S.C. Sec. 1001 makes it a crime for any person knowingly and willfully to make to any Department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Duly executed this _____ day of _____, 19 _____.

(Signature of Lessee or Attorney-in-fact)

LEASE TERMS

Sec. 1. Rentals—Rentals shall be paid to proper office of lessor in advance of each lease year. Annual rental rates per acre or fraction thereof are:

- (a) Noncompetitive lease, \$1.50 for the first 5 years; thereafter \$2.00;
- (b) Competitive lease, \$1.50; for the first 5 years; thereafter \$2.00;
- (c) Other, see attachment, or

as specified in regulations at the time this lease is issued.

If this lease or a portion thereof is committed to an approved cooperative or unit plan which includes a well capable of producing leased resources, and the plan contains a provision for allocation of production, royalties shall be paid on the production allocated to this lease. However, annual rentals shall continue to be due at the rate specified in (a), (b), or (c) for those lands not within a participating area.

Failure to pay annual rental, if due, on or before the anniversary date of this lease (or next official working day if office is closed) shall automatically terminate this lease by operation of law. Rentals may be waived, reduced, or suspended by the Secretary upon a sufficient showing by lessee.

Sec. 2. Royalties—Royalties shall be paid to proper office of lessor. Royalties shall be computed in accordance with regulations on production removed or sold. Royalty rates are:

- (a) Noncompetitive lease, 12½ %;
- (b) Competitive lease, 12½ %;
- (c) Other, see attachment; or

as specified in regulations at the time this lease is issued.

Lessor reserves the right to specify whether royalty is to be paid in value or in kind, and the right to establish reasonable minimum values on products after giving lessee notice and an opportunity to be heard. When paid in value, royalties shall be due and payable on the last day of the month following the month in which production occurred. When paid in kind, production shall be delivered, unless otherwise agreed to by lessor, in merchantable condition on the premises where produced without cost to lessor. Lessee shall not be required to hold such production in storage beyond the last day of the month following the month in which production occurred, nor shall lessee be held liable for loss or destruction of royalty oil or other products in storage from causes beyond the reasonable control of lessee.

Minimum royalty in lieu of rental of not less than the rental which otherwise would be required for that lease year shall be payable at the end of each lease year beginning on or after a discovery in paying quantities. This minimum royalty may be waived, suspended, or reduced, and the above royalty rates may be reduced, for all or portions of this lease if the Secretary determines that such action is necessary to encourage the greatest ultimate recovery of the leased resources, or is otherwise justified.

An interest charge shall be assessed on late royalty payments or underpayments in accordance with the Federal Oil and Gas Royalty Management Act of 1982 (FOGRMA) (30 U.S.C. 1701). Lessee shall be liable for royalty payments on oil and gas lost or wasted from a lease site when such loss or waste is due to negligence on the part of the operator, or due to the failure to comply with any rule, regulation, order, or citation issued under FOGRMA or the leasing authority.

Sec. 3. Bonds—A bond shall be filed and maintained for lease operations as required under regulations.

Sec. 4. Diligence, rate of development, unitization, and drainage—Lessee shall exercise reasonable diligence in developing and producing, and shall prevent unnecessary damage to, loss of, or waste of leased resources. Lessor reserves right to specify rates of development and production in the public interest and to require lessee to subscribe to a cooperative or unit plan, within 30 days of notice, if deemed necessary for proper development and operation of area, field, or pool embracing these leased lands. Lessee shall drill and produce wells necessary to protect leased lands from drainage or pay compensatory royalty for drainage in amount determined by lessor.

Sec. 5. Documents, evidence, and inspection—Lessee shall file with proper office of lessor, not later than 30 days after effective date thereof, any contract or evidence of other arrangement for sale or disposal of production. At such times and in such form as lessor may prescribe, lessee shall furnish detailed statements showing amounts and quality of all products removed and sold, proceeds therefrom, and amount used for production purposes or unavoidably lost. Lessee may be required to provide plats and schematic diagrams showing development work and improvements, and reports with respect to parties in interest, expenditures, and depreciation costs. In the form prescribed by lessor, lessee shall keep a daily drilling record, a log, information on well surveys and tests, and a record of subsurface investigations and furnish copies to lessor when required. Lessee shall keep open at all reasonable times for inspection by any authorized officer of lessor, the leased premises and all wells, improvements, machinery, and fixtures thereon, and all books, accounts, maps, and records relative to operations, surveys, or investigations on or in the leased lands. Lessee shall maintain copies of all contracts, sales agreements, accounting records, and documentation such as billings, invoices, or similar documentation that supports

costs claimed as manufacturing, preparation, and/or transportation costs. All such records shall be maintained in lessee's accounting offices for future audit by lessor. Lessee shall maintain required records for 6 years after they are generated or, if an audit or investigation is underway, until released of the obligation to maintain such records by lessor.

During existence of this lease, information obtained under this section shall be closed to inspection by the public in accordance with the Freedom of Information Act (5 U.S.C. 552).

Sec. 6. Conduct of operations—Lessee shall conduct operations in a manner that minimizes adverse impacts to the land, air, and water, to cultural, biological, visual, and other resources, and to other land uses or users. Lessee shall take reasonable measures deemed necessary by lessor to accomplish the intent of this section. To the extent consistent with lease rights granted, such measures may include, but are not limited to, modification to siting or design of facilities, timing of operations, and specification of interim and final reclamation measures. Lessor reserves the right to continue existing uses and to authorize future uses upon or in the leased lands, including the approval of easements or rights-of-way. Such uses shall be conditioned so as to prevent unnecessary or unreasonable interference with rights of lessee.

Prior to disturbing the surface of the leased lands, lessee shall contact lessor to be apprised of procedures to be followed and modifications or reclamation measures that may be necessary. Areas to be disturbed may require inventories or special studies to determine the extent of impacts to other resources. Lessee may be required to complete minor inventories or short term special studies under guidelines provided by lessor. If in the conduct of operations, threatened or endangered species, objects of historic or scientific interest, or substantial unanticipated environmental effects are observed, lessee shall immediately contact lessor. Lessee shall cease any operations that would result in the destruction of such species or objects.

Sec. 7. Mining operations—To the extent that impacts from mining operations would be substantially different or greater than those associated with normal drilling operations, lessor reserves the right to deny approval of such operations.

Sec. 8. Extraction of helium—Lessor reserves the option of extracting or having extracted helium from gas production in a manner specified and by means provided by lessor at no expense or loss to lessee or owner of the gas. Lessee shall include in any contract of sale of gas the provisions of this section.

Sec. 9. Damages to property—Lessee shall pay lessor for damage to lessor's improvements, and shall save and hold lessor harmless from all claims for damage or harm to persons or property as a result of lease operations.

Sec. 10. Protection of diverse interests and equal opportunity—Lessee shall: pay when due all taxes legally assessed and levied under laws of the State or the United States; accord all employees complete freedom of purchase; pay all wages at least twice each month in lawful money of the United States; maintain a safe working environment in accordance with standard industry practices; and take measures necessary to protect the health and safety of the public.

Lessor reserves the right to ensure that production is sold at reasonable prices and to prevent monopoly. If lessee operates a pipeline, or owns controlling interest in a pipeline or a company operating a pipeline, which may be operated accessible to oil derived from these leased lands, lessee shall comply with section 28 of the Mineral Leasing Act of 1920.

Lessee shall comply with Executive Order No. 11246 of September 24, 1965, as amended, and regulations and relevant orders of the Secretary of Labor issued pursuant thereto. Neither lessee nor lessee's subcontractors shall maintain segregated facilities.

Sec. 11. Transfer of lease interests and relinquishment of lease—As required by regulations, lessee shall file with lessor any assignment or other transfer of an interest in this lease. Lessee may relinquish this lease or any legal subdivision by filing in the proper office a written relinquishment, which shall be effective as of the date of filing, subject to the continued obligation of the lessee and surety to pay all accrued rentals and royalties.

Sec. 12. Delivery of premises—At such time as all or portions of this lease are returned to lessor, lessee shall place affected wells in condition for suspension or abandonment, reclaim the land as specified by lessor and, within a reasonable period of time, remove equipment and improvements not deemed necessary by lessor for preservation of producible wells.

Sec. 13. Proceedings in case of default—If lessee fails to comply with any provisions of this lease, and the noncompliance continues for 30 days after written notice thereof, this lease shall be subject to cancellation unless or until the leasehold contains a well capable of production of oil or gas in paying quantities, or the lease is committed to an approved cooperative or unit plan or communitization agreement which contains a well capable of production of unitized substances in paying quantities. This provision shall not be construed to prevent the exercise by lessor of any other legal and equitable remedy, including waiver of the default. Any such remedy or waiver shall not prevent later cancellation for the same default occurring at any other time. Lessee shall be subject to applicable provisions and penalties of FOGRMA (30 U.S.C. 1701).

Sec. 14. Heirs and successors-in-interest—Each obligation of this lease shall extend to and be binding upon, and every benefit hereof shall inure to the heirs, executors, administrators, successors, beneficiaries, or assignees of the respective parties hereto.

Inclement Weather Conditions

On occasion the Santa Fe area will have an abundance of snow or other weather conditions that prohibit the staff to make it to work safely at regular scheduled business hours. In the event of hazardous weather, please tune in to local television or radio stations. The Bureau of Land Management (BLM), New Mexico State Office follows the direction given to the Santa Fe, State of New Mexico Employees. If a 2-hour delay is broadcast for State Employees, BLM will also have a 2-hour delay.

The procedure for future Oil and Gas Lease Sales scheduled on a business day with a 2-hour delay or the Office is Closed for Business the BLM will proceed as follows:

1. In the event of a 2-hour delay - the doors to the BLM, NMSO will remain locked until 9:30 a.m.. The Oil and Gas Lease Sale will begin at 11:00 a.m. with registration starting at 10:00 a.m., please call in the recorded information on delays at (505) 438-7400.
2. In the event that the BLM office is Closed for Business on the day of an Oil and Gas Lease Sale, the sale will be cancelled and rescheduled at a later date. Please call in for recorded information on closures at (505) 438-7400.

Every effort will be made to post the information on delays of Closed for Business on the main entrance exterior doors of the building.

Your safety and the safety of our BLM employees is our major concern.

Power Outages

In the event of a power outage, the office will be CLOSED.

Cell Phone Usage

Please confine cell phone usage to the back of the sale conference room or step out to the hallway as several conversations distract the bidders/auctioneer and staff capturing sale results. Thank you for your cooperation.

BUREAU OF LAND MANAGEMENT
NEW MEXICO STATE OFFICE
January 16, 2002, Lease Sale Statistics by State
Parcels with and without Pre-sale Noncompetitive Priority Offers

STATE	PARCELS WITH PRESALE OFFER	PARCELS WITHOUT PRESALE OFFER	TOTAL PARCELS	ACRES WITH PRESALE OFFER	ACRES WITHOUT PRESALE OFFER	TOTAL ACRES
NM	0	49	49	0.00	40,703.50	40,703.50
KS	0	0	0	0.00	0.00	0.00
OK	0	5	5	0.00	1,658.41	1,658.41
TX	1	25	26	132.00	16,265.85	16,397.85
TOTALS	1	79	80	132.00	58,627.76	58,759.76

**U. S. DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
NEW MEXICO STATE OFFICE
JANUARY 16, 2002, OIL AND GAS LEASE SALE**

PARCEL STATE COUNTY MERIDIAN U.S.INTEREST	TOWN SHIP	RANGE	SEC.	SUBDIVISION (A NUMERIC W/O A PREFIX IS A LOT)	ACRES STIPULATIONS NAME OLD SERIAL NO.	ACQUIRED OR PUBLIC DOMAIN	FUTURE INTEREST (YES/NO) REV DATE
200201001 NM TORRANCE NMPM 100.00%	01N	10E	21	ALL;	640.000 NMNM 45070 NMNM 45628	P	N
200201002 NM GUADALUPE/QUAY NMPM 100.00%	09N	26E	03 03 04 04 05 05 06 07 08	3,4; SENE,S2NW,NESE,S2SE; 1,2,3,4; S2N2,SESW,S2SE; 3,4; S2NW,NWSW; 1,2,3,4,5; S2SE; NESE;	2,326.220 NMNM 23815 NMNM 29335 NMNM 29672 NMNM 84939 NMNM 84941 NMNM 84942	P	N
	09N	27E	01 22 23 23 24 25	SE; SENW,E2SE; NENE,SWNW,W2SW,SESW,E2SE; SWSE; NWNW,SWSW; S2NE,SWSW,E2SW,SE;			
T. 09 N., R. 26 E - GUADALUPE COUNTY T. 09 N., R. 27 E., QUAY COUNTY							

PARCEL STATE COUNTY MERIDIAN U.S.INTEREST	TOWN SHIP	RANGE	SEC.	SUBDIVISION (A NUMERIC W/O A PREFIX IS A LOT)	ACRES STIPULATIONS NAME OLD SERIAL NO.	ACQUIRED OR PUBLIC DOMAIN	FUTURE INTEREST (YES/NO) REV DATE
200201003 NM GUADALUPE NMPM 100.00%	10N	26E	09 21 22 28 29 32 33 34	NESW,SWSW,NWSE,S2SE; SW,W2SE; SENE,NESE; ALL; NE; E2NE; E2NE,W2NW,SE; NENW,W2W2,SESW;	1,960.000 NMNM 66849 NMNM 84087	P	N
200201004 NM QUAY NMPM 100.00%	10N	27E	24 25 26 27 34 35	NESE,S2S2; NE,S2NW,S2; W2NE,S2; SENE,E2SE; SWNE; N2NW;	1,480.000 NMNM 66559 NMNM 84085	P	N
	11N	27E	34	W2NE;			
200201005 NM QUAY NMPM 100.00%	09N	28E	02 13 25 26 27 34 35	SENE; S2NE; NESE,S2S2; SESW,S2SE; NESW; E2SW,NWSW,W2SE,SESE; E2,E2W2,SWNW,W2SW;	2,441.960 NMNM 29673 NMNM 84943 NMNM 84949 NMNM 84950	P	N
	09N	29E	02 03 03 04 05 08	SWNW; 3; S2NE,SENW,S2SW,SE; S2NW,S2; 1,2,4; SWNE,NWSE,S2SE;			

PARCEL STATE COUNTY MERIDIAN U.S.INTEREST	TOWN SHIP	RANGE	SEC.	SUBDIVISION (A NUMERIC W/O A PREFIX IS A LOT)	ACRES STIPULATIONS NAME OLD SERIAL NO.	ACQUIRED OR PUBLIC DOMAIN	FUTURE INTEREST (YES/NO) REV DATE
200201006 NM QUAY NMPM 100.00%	09N	28E	06 06 09 18 18 31 31	1,2,6,7; S2NE,E2SW,SE; W2NE; 1,2; NENW; 1,2; NE;	1,408.020 NMNM 35839 NMNM 84081 NMNM 84944 NMNM 84945 NMNM 101981	P	N
	10N	28E	31 32 35	NE,NENW,NESE; NE; SENW,SWSE;			
200201007 NM QUAY NMPM 100.00%	10N	28E	02 03 03 09 10 11 13 15 17	SW; 1,2,3,4; SENE,NESE; SWNE,W2SW; S2NE,SENW,E2SW,W2SE,NESE; NWNE,NENW,W2NW,NWSW; SWSW,SESE; NWNE,SESW,W2SE; NE,E2NW,N2SE;	2,361.440	P	N
	11N	28E	23 24 33 35	S2NE,N2NW,SENW,N2SE; S2N2,N2SW; N2NE; N2NE,NESW,NWSE;			
PRIOR LEASE NOS.: NMNM 35839 NMNM 37542 NMNM 39005 NMNM 61869 NMNM 66565 NMNM 80911 NMNM 84081 NMNM 84086							
200201008 NM QUAY NMPM 100.00%	10N	28E	19 20 29 30 30 34	E2SW,SE; SWNW,N2SW; SW,W2SE; 1,2,3,4; E2SW,SE; NESE;	1,048.800 NMNM 84081	P	N

PARCEL STATE COUNTY MERIDIAN U.S.INTEREST	TOWN SHIP	RANGE	SEC.	SUBDIVISION (A NUMERIC W/O A PREFIX IS A LOT)	ACRES STIPULATIONS NAME OLD SERIAL NO.	ACQUIRED OR PUBLIC DOMAIN	FUTURE INTEREST (YES/NO) REV DATE
200201009 NM RIO ARRIBA NMPM 100.00%	23N	01W	01 01 03 03 09 16 17	1,2,3,4; S2N2,S2; 1,2,3,4; S2N2,S2; W2NE,W2; E2,W2W2; NE;	2,326.120 NM6	P	N
PRIOR LEASE NOS.: NMNM 58134 NMNM 70293 NMNM 70294 NMNM 70295 NMNM 76809 NMNM 86853 NMNM 90938							
200201010 NM DONA ANA NMPM 100.00%	21S	03W	07 07 18 18 19 19	1,2,3,4; E2,E2W2; 1,2,3,4; E2,E2NW; 3,4; E2,E2SW;	1,661.580 LC-20	P	N
200201011 NM DONA ANA NMPM 100.00%	21S	03W	08 17	ALL; ALL;	1,280.000 LC-9 LC-20	P	N
200201012 NM DONA ANA NMPM 100.00%	21S	03W	12 13	E2,N2NW,S2SW; ALL;	1,120.000 LC-20	P	N
200201013 NM DONA ANA NMPM 100.00%	21S	03W	14 22 22 23 24	N2,N2S2,SWSW,SESE; 1,2,3,4; NE; NENE,NWNW,S2N2; N2;	1,449.690 LC-20	P	N

PARCEL STATE COUNTY MERIDIAN U.S.INTEREST	TOWN SHIP	RANGE	SEC.	SUBDIVISION (A NUMERIC W/O A PREFIX IS A LOT)	ACRES STIPULATIONS NAME OLD SERIAL NO.	ACQUIRED OR PUBLIC DOMAIN	FUTURE INTEREST (YES/NO) REV DATE
200201014 NM DONA ANA NMPM 100.00%	21S	03W	20 29	ALL; ALL;	1,280.000 LC-20	P	N
200201015 NM DONA ANA NMPM 100.00%	21S	03W	21 28 33	S2; ALL; ALL;	1,600.000 LC-20	P	N
200201016 NM DONA ANA NMPM 100.00%	21S	03W	25 26 35	N2; ALL; ALL;	1,600.000 LC-20 NMNM 56678	P	N
200201017 NM DONA ANA NMPM 100.00%	21S	03W	27 27 34	1,2,3,4; NE,S2; ALL;	1,292.030 LC-20 NMNM 56678	P	N
200201018 NM DONA ANA NMPM 100.00%	21S	03W	30 30 31 31	1,4; E2,E2W2; 1,2,3,4; E2,E2W2;	1,193.960 LC-20	P	N

PARCEL STATE COUNTY MERIDIAN U.S.INTEREST	TOWN SHIP	RANGE	SEC.	SUBDIVISION (A NUMERIC W/O A PREFIX IS A LOT)	ACRES STIPULATIONS NAME OLD SERIAL NO.	ACQUIRED OR PUBLIC DOMAIN	FUTURE INTEREST (YES/NO) REV DATE
200201019 NM CHAVES NMPM 100.00%	15S	22E	27	NWNW;	40.000 NMNM 89033	P	N
200201020 NM EDDY NMPM 100.00%	26S	24E	12	N2,N2S2,SWSW;	520.000 SENM-LN-1 SENM-S-7 SENM-S-17 SENM-S-21 SENM-S-25 NMNM 11459 NMNM 71740	P	N
NOTE: THE MORROW FORMATION IS EXCLUDED FROM THIS LEASE BECAUSE OF THE EXISTING WASHINGTON RANCH GAS STORAGE UNIT.							
200201021 NM EDDY NMPM 100.00%	20S	25E	21	SE;	160.000 SENM-LN-1 SENM-S-18 APPLIES TO: NWSE,W2SWSE. NMNM 84844 NMNM 85849	P	N
200201022 NM EDDY NMPM 100.00%	21S	25E	03 03 03	1,2,8,9,15,16,17,18; TRACT 37(4.41 ACRES); N2SW,E2SE;	457.960 BOR(MLS) SENM-S-18 APPLIES TO: SENESW. SENM-S-21 SENM-S-25 NMNM 43530 NMNM 54985 NMNM 58145 NMNM 62168	P	N
BUREAU OF RECLAMATION							

PARCEL STATE COUNTY MERIDIAN U.S.INTEREST	TOWN SHIP	RANGE	SEC.	SUBDIVISION (A NUMERIC W/O A PREFIX IS A LOT)	ACRES STIPULATIONS NAME OLD SERIAL NO.	ACQUIRED OR PUBLIC DOMAIN	FUTURE INTEREST (YES/NO) REV DATE
200201023 NM EDDY NMPM 100.00%	25S	25E	22	E2;	320.000 SENM-LN-1 SENM-S-17 SENM-S-21 SENM-S-25 NMNM 87250	P	N
200201024 NM EDDY NMPM 100.00%	26S	25E	03	ALL;	640.000 SENM-LN-1 SENM-S-17 SENM-S-21 NMNM 69575 NMNM 70198	P	N
200201025 NM CHAVES NMPM 100.00%	13S	26E	01 01 12	2,3; SWNE,SENW,E2SW,W2SE; NESE;	361.750 NMNM 54264 NMNM 69157	P	N
200201026 NM EDDY NMPM 100.00%	20S	26E	12	N2SW,S2SE;	160.000 SENM-LN-1 SENM-S-21 BOR(MLS) NMNM 63334	P	N
BUREAU OF RECLAMATION							

PARCEL STATE COUNTY MERIDIAN U.S.INTEREST	TOWN SHIP	RANGE	SEC.	SUBDIVISION (A NUMERIC W/O A PREFIX IS A LOT)	ACRES STIPULATIONS NAME OLD SERIAL NO.	ACQUIRED OR PUBLIC DOMAIN	FUTURE INTEREST (YES/NO) REV DATE
200201027 NM EDDY NMPM 100.00%	20S	26E	33	SW;	160.000 BOR(MLS) SENM-LN-1 SENM-S-18 APPIES TO: W2E2SW,SESWSW. NMNM 27917	P	N
BUREAU OF RECLAMATION							
200201028 NM CHAVES NMPM 100.00%	08S	27E	35	ALL;	640.000 NMNM 78232	P	N
200201029 NM CHAVES NMPM 100.00%	12S	27E	17 20 29	S2SW; NWNE,E2W2; E2NW,NESW,N2SE;	480.000 NMNM 54847 NMNM 57515	P	N
200201030 NM CHAVES NMPM 100.00%	12S	27E	19	NE,E2W2,N2SE;	400.000 NMNM 54273 NMNM 66763 NMNM 81723	P	N

PARCEL STATE COUNTY MERIDIAN U.S.INTEREST	TOWN SHIP	RANGE	SEC.	SUBDIVISION (A NUMERIC W/O A PREFIX IS A LOT)	ACRES STIPULATIONS NAME OLD SERIAL NO.	ACQUIRED OR PUBLIC DOMAIN	FUTURE INTEREST (YES/NO) REV DATE
200201031 NM CHAVES NMPM 100.00%	12S	27E	31 31 32	3,4; NE,E2SW; NESW,W2SW;	436.050 NMNM 71756	P	N
200201032 NM CHAVES NMPM 100.00%	13S	27E	04 04	1,2; S2NE,SE;	319.580 NMNM 60043 NMNM 78233 NMNM 81724	P	N
200201033 NM CHAVES NMPM 100.00%	13S	27E	05 05 06 06	1,2,3,4; S2N2,S2; 1,2; S2NE,SE;	959.600 NMNM 62184	P	N
200201034 NM CHAVES NMPM 100.00%	13S	27E	07 07 08 18	1,2,3; NE,E2NW,NESW,N2SE; N2,N2S2,SESE; SWNE;	1,032.220 NMNM 60043 NMNM 62184 NMNM 62185 NMNM 64957 NMNM 71564 NMNM 78233	P	N

PARCEL STATE COUNTY MERIDIAN U.S.INTEREST	TOWN SHIP	RANGE	SEC.	SUBDIVISION (A NUMERIC W/O A PREFIX IS A LOT)	ACRES STIPULATIONS NAME OLD SERIAL NO.	ACQUIRED OR PUBLIC DOMAIN	FUTURE INTEREST (YES/NO) REV DATE
200201035 NM EDDY NMPM 100.00%	16S	27E	24	W2SE;	80.000 SENM-LN-1 SENM-S-21 NMLC 062623B	P	N
200201036 NM EDDY NMPM 100.00%	25S	27E	20	NENE,W2NW,SENW,SW,S2SE;	400.000 SENM-LN-1 SENM-S-18 APPLIES TO: E2NWNW,N2SENW,N2NESW, S2N2SW,S2SW,N2SWSE, SWSWSE. NMNM 13408-A NMNM 16096 NMNM 0476505	P	N
200201037 NM CHAVES NMPM 100.00%	09S	28E	05 06 06 07 07 08 17 18	S2N2,S2; 5,6,7; SENE,SENW,E2SW,E2SE; 1,2; NE; NW,N2SE; NWNW; E2NE;	1,436.600 NMNM 78242	P	N
200201038 NM CHAVES NMPM 100.00%	14S	30E	26	E2,E2NW,SW;	560.000 SENM-S-22 NMNM 84871	P	N

PARCEL STATE COUNTY MERIDIAN U.S.INTEREST	TOWN SHIP	RANGE	SEC.	SUBDIVISION (A NUMERIC W/O A PREFIX IS A LOT)	ACRES STIPULATIONS NAME OLD SERIAL NO.	ACQUIRED OR PUBLIC DOMAIN	FUTURE INTEREST (YES/NO) REV DATE
200201039 NM EDDY NMPM 100.00%	20S	30E	01 01	1,2,3,4; S2N2;	320.000 SENM-S-1 SENM-S-12 APPLIES TO: LOTS 1-4,SENE SENM-S-17 APPLIES TO: LOTS 3,4,S2NW,SENE SENM-LN-1 NMNM 84719	P	N
NOTE-CONDITION OF LEASE: NO LOCATIONS AVAILABLE FOR WELLS DRILLED DEEPER THAN THE BASE OF THE DELAWARE MOUNTAIN GROUP.							
200201040 NM LEA NMPM 100.00%	22S	32E	11	SENE,NENW;	80.000 SENM-S-1 SENM-S-22 NMNM 56746	P	N
200201041 NM LEA NMPM 100.00%	22S	32E	11	SW;	160.000 SENM-S-1 SENM-S-22 NMNM 85936	P	N
200201042 NM LEA NMPM 100.00%	21S	33E	01	SESE;	40.000 SENM-S-1 SENM-S-22 NMNM 57281	P	N
200201043 NM LEA NMPM 100.00%	13S	35E	12	S2;	320.000 NMNM 58827	P	N

PARCEL STATE COUNTY MERIDIAN U.S.INTEREST	TOWN SHIP	RANGE	SEC.	SUBDIVISION (A NUMERIC W/O A PREFIX IS A LOT)	ACRES STIPULATIONS NAME OLD SERIAL NO.	ACQUIRED OR PUBLIC DOMAIN	FUTURE INTEREST (YES/NO) REV DATE
200201044 NM LEA NMPM 100.00%	23S	35E	04	2,3,4;	120.960 SENM-S-22 NMNM 97614	P	N
200201045 NM ROOSEVELT NMPM 100.00%	07S	36E	04 04	1,2,3,4; S2N2;	323.240 SENM-S-22 NMNM 54002 NMNM 55977 NMNM 70900 NMNM 83623	P	N
200201046 NM ROOSEVELT NMPM 100.00%	07S	36E	15	N2N2,S2;	480.000 SENM-S-22 NMNM 69600 NMNM 70231	P	N
200201047 NM ROOSEVELT NMPM 100.00%	07S	36E	18 18	1,2,3,4; E2,E2W2;	625.720 SENM-S-22 NMNM 85949	P	N

PARCEL STATE COUNTY MERIDIAN U.S.INTEREST	TOWN SHIP	RANGE	SEC.	SUBDIVISION (A NUMERIC W/O A PREFIX IS A LOT)	ACRES STIPULATIONS NAME OLD SERIAL NO.	ACQUIRED OR PUBLIC DOMAIN	FUTURE INTEREST (YES/NO) REV DATE
200201048 NM LEA NMPM 100.00%	22S	38E	08 17	SWSW; E2NE;	120.000 SENM-S-22 NMNM 45165 NMNM 53256 NMNM 86184	P	N
200201049 NM LEA NMPM 100.00%	22S	38E	17	E2SE;	80.000 SENM-S-22 NMNM 53256	P	N
200201050 OK COAL IM 100.00%	01N	10E	21 21	S2SWSWSWNE,N2NWNWNWSE; N2NESW;	22.500 NM-8 OKNM 17255	P	N
200201051 OK LATIMER IM 25.00%	04N	17E	24 24	S2NESW; SESW;	60.000 NM-8 ORA-1 ORA-2 ORA(LN-1) OKNM 39888	A	N

PARCEL STATE COUNTY MERIDIAN U.S.INTEREST	TOWN SHIP	RANGE	SEC.	SUBDIVISION (A NUMERIC W/O A PREFIX IS A LOT)	ACRES STIPULATIONS NAME OLD SERIAL NO.	ACQUIRED OR PUBLIC DOMAIN	FUTURE INTEREST (YES/NO) REV DATE
200201052 OK LEFLORE IM 100.00%	05N	24E	09 14 14 14 14 16 16 16 16 16	ALL; NE,E2NW,NWNW; E2SWNW,NWSWNW,N2SWSWNW; N2N2SE,NWSWSE,S2S2SE; SEE M&B'S DESCRIPTION; N2N2,N2S2NE,SESW,S2SE; N2SWSWNE,N2SENW,N2S2SENW; N2N2SWNW,SENESE,N2S2SE; NESESE,N2S2SE; S2SWNESE,SENESE,SENESE;	1,497.500 COE-SS(1-A) NM-8 ORA-1 ORA-2 ORA(LN-1) OKNM 50739 OKNM 80952 OKNM 94640 OKNM 94641	A	N
<p>CORPS OF ENGINEERS WISTER LAKE PROJECT</p> <p>SEC. 14: THAT PART OF S2N2SW DESCRIBED AS: BEGINNING AT THE SOUTHWEST CORNER OF N2SW SEC. 14; THENCE NORTH 660 FEET; THENCE EAST 660 FEET; THENCE SOUTHEASTERLY 2020 FEET, MORE OR LESS, TO A POINT ON EAST LINE OF SAID N2SW, THENCE SOUTH 165 FEET; THENCE WEST 2640 FEET, MORE OR LESS, TO POINT OF BEGINNING, CONTAINING 28.75 ACRES, MORE OR LESS. THAT PART OF THE N2SESE AND NESWSE DESCRIBED AS: BEGINNING AT THE NORTHWEST CORNER OF SAID NESWSE; THENCE SOUTHEASTERLY 2020 FEET, MORE OR LESS, TO A POINT ON THE EAST LINE OF SAID SEC. 14; THENCE SOUTH 165 FEET; THENCE WEST 1980 FEET, MORE OR LESS; THENCE NORTH 660 FEET TO POINT OF BEGINNING, CONTAINING 18.75 ACRES, MORE OR LESS.</p>							
200201053 OK WOODS IM 100.00%	26N	17W	07	SESE;	40.000 ORA-1 ORA-2 ORA(LN-1) OKNM 21175	P	N
200201054 OK DEWEY IM 100.00%	18N	20W	26 26 26 26	M&B DESCRIPTION OF THE; ACCRETION & RIPARIAN AC; TO THE REMAINDER OF THE; NESW,SEE EXHIBIT A;	38.410 ORA-1 ORA-2 ORA(LN-1)	P	N

PARCEL STATE COUNTY MERIDIAN U.S.INTEREST	TOWN SHIP	RANGE	SEC.	SUBDIVISION (A NUMERIC W/O A PREFIX IS A LOT)	ACRES STIPULATIONS NAME OLD SERIAL NO.	ACQUIRED OR PUBLIC DOMAIN	FUTURE INTEREST (YES/NO) REV DATE
200201055 TX JACKSON TX 100.00%				TR IC-57;	41.900 GR-LNRA	A	N
LAVACA NAVIDAD RIVER AUTHORITY PALMETTO BEND PROJECT							
NOTE: THESE TRACTS MAY HAVE AN OUTSTANDING NON-PARTICIPATING ROYALTY INTEREST (NPRI), WHICH IS A SEPARATE ROYALTY PAYMENT IN ADDITION TO THE ROYALTY PAID TO THE UNITED STATES UNDER THE TERMS OF ANY BLM LEASE ISSUED AND IS PAID BY THE LESSEE DIRECTLY TO THE NPRI OWNER. QUAD #2986344							
200201056 TX JACKSON TX 0.00%				TR IC-70,IC-72-1,IC-72-2; TR IC-73,IC-77-1,IC-77-2; TR IC-78,IC-79-1,IC-79-2;	155.060 GR-LNRA	A	N
MINERAL INTEREST BREAKDOWN: TRACTS IC-70, 73,78,77-1,77-2,79-1 & 79-2 - 100% MINERAL INTEREST TRACTS IC-72-1 & 72-2 - 50% MINERAL INTEREST							
NOTE: THESE TRACTS MAY HAVE AN OUTSTANDING NON-PARTICIPATING ROYALTY INTEREST (NPRI), WHICH IS A SEPARATE ROYALTY PAYMENT IN ADDITION TO THE ROYALTY PAID TO THE UNITED STATES UNDER THE TERMS OF ANY BLM LEASE ISSUED AND IS PAID BY THE LESSEE DIRECTLY TO THE NPRI OWNER.							
THIS TRACT MAY HAVE A PRIVATE SHUT-IN WELL(S) THAT WERE DRILLED PRIOR TO THE U.S. GOVERNMENT OBTAINING THE MINERALS.							
LAVACA NAVIDAD RIVER AUTHORITY PALMETTO BEND PROJECT QUAD #2996211							
200201057 TX JACKSON TX 100.00%				TR IC-80,IC-97;	22.500 GR-LNRA	A	N
LAVACA NAVIDAD RIVER AUTHORITY PALMETTO BEND PROJECT							
NOTE: THESE TRACTS MAY HAVE AN OUTSTANDING NON-PARTICIPATING ROYALTY INTEREST (NPRI), WHICH IS A SEPARATE ROYALTY PAYMENT IN ADDITION TO THE ROYALTY PAID TO THE UNITED STATES UNDER THE TERMS OF ANY BLM LEASE ISSUED AND IS PAID BY THE LESSEE DIRECTLY TO THE NPRI OWNER. QUAD #2996211							

PARCEL STATE COUNTY MERIDIAN U.S.INTEREST	TOWN SHIP	RANGE	SEC.	SUBDIVISION (A NUMERIC W/O A PREFIX IS A LOT)	ACRES STIPULATIONS NAME OLD SERIAL NO.	ACQUIRED OR PUBLIC DOMAIN	FUTURE INTEREST (YES/NO) REV DATE
200201058 TX JACKSON TX 100.00%			TR	IC-107-1;	13.000 GR-LNRA	A	N
<p>NOTE: TRACT 107-1 MAY HAVE AN OUTSTANDING NONPARTICIPATING ROYALTY INTEREST (NPRI), WHICH IS A SEPARATE ROYALTY PAYMENT IN ADDITION TO THE ROYALTY PAID TO THE UNITED STATES UNDER THE TERMS OF ANY BLM LEASE ISSUED AND IS PAID BY THE LESSEE DIRECTLY TO THE NPRI OWNER.</p> <p>LAVACA NAVIDAD RIVER AUTHORITY PALMETTO BEND PROJECT QUAD #2996211, 2996122</p>							
200201059 TX JACKSON TX 0.00%			TR TR TR TR	IC-108,IC-109,IC-110; IC-111,IC-112-1,IC-112-2; IC-112-3,IC-196-1; IC-196-2;	774.800 GR-LNRA	A	N
<p>MINERAL INTEREST BREAKDOWN: TRACTS IC-108,109,110,111,112-2,196-1, 196-2 -100% MINERAL INTEREST TRACT IC-112-1 - 50% MINERAL INTEREST TRACT IC-112-3 - 75% MINERAL INTEREST</p> <p>NOTE: THESE TRACTS MAY HAVE OUTSTANDING NONPARTICIPATING ROYALTY INTEREST (NPRI), WHICH IS A SEPARATE ROYALTY PAYMENT IN ADDITION TO THE ROYALTY PAID TO THE UNITED STATES UNDER THE TERMS OF ANY BLM LEASE ISSUED AND IS PAID BY THE LESSEE DIRECTLY TO THE NPRI OWNER.</p> <p>LAVACA NAVIDAD RIVER AUTHORITY PALMETTO BEND PROJECT QUAD #2996211</p>							
200201060 TX JACKSON TX 100.00%			TR	PART OF TR IC-114-1;	59.700 GR-LNRA	A	N
<p>TRACT IC-114-I: THAT PART OF TRACT 114 DESCRIBED AS FOLLOWS: BEGINNING AT A POINT LOCATED AT THE INTERSECTION OF THE NORTHWEST BOUNDARY LINE OF THE NESTER CLAY SURVEY, A-13 AND THE MEDIAL LINE OF THE NAVIDAD RIVER (WHICH MARKS THE NORTHERN BOUNDARY OF THE NESTER CLAY SURVEY), GO DUE EAST 1000 FEET TO A POINT, THEN GO DUE SOUTH TO A POINT ON THE SOUTHERN BOUNDARY OF TRACT 114 (ALSO PALMETTO BEND RESERVOIR BOUNDARY). FROM THIS POINT PROCEED IN A NORTHWESTERLY DIRECTION ALONG THE RESERVOIR BOUNDARY TO THE INTERSECTION OF THE RESERVOIR BOUNDARY LINE AND THE NORTHWEST BOUNDARY LINE OF THE NESTER CLAY SURVEY, THEN GO NORTHEAST ALONG THE NORTHWEST BOUNDARY LINE OF THE NESTER CLAY SURVEY TO THE POINT OF BEGINNING, CONTAINING 59.70 ACRES, MORE OR LESS.</p> <p>LAVACA NAVIDAD RIVER AUTHORITY PALMETTO BEND PROJECT</p> <p>NOTE: THIS TRACT MAY HAVE AN OUTSTANDING NON-PARTICIPATING ROYALTY INTEREST (NPRI), WHICH IS A SEPARATE ROYALTY PAYMENT IN ADDITION TO THE ROYALTY PAID TO THE UNITED STATES UNDER THE TERMS OF ANY BLM LEASE ISSUED AND IS PAID BY THE LESSEE DIRECTLY TO THE NPRI OWNER. QUAD #2996211</p>							

PARCEL STATE COUNTY MERIDIAN U.S.INTEREST	TOWN SHIP	RANGE	SEC.	SUBDIVISION (A NUMERIC W/O A PREFIX IS A LOT)	ACRES STIPULATIONS NAME OLD SERIAL NO.	ACQUIRED OR PUBLIC DOMAIN	FUTURE INTEREST (YES/NO) REV DATE
200201061 TX JACKSON TX 100.00%				TR PART OF TR IC-115;	69.700 GR-LNRA	A	N
PART OF TRACT IC-115: BEGINNING AT A POINT LOCATED 600 FEET DUE WEST OF THE NORTHWEST CORNER OF (BOR) TRACT I-C-94 (WHICH ADJOINS TRACT I-C-115 ON THE EAST, BEING OUT OF THE WILLIAM MENEFEY SURVEY A-53); THENCE SOUTH 1320.00 FEET TO A POINT; THENCE WEST 2300.00 FEET TO A POINT; THENCE NORTH 1320.00 FEET TO A POINT; THENCE EAST 2300.00 FEET TO THE POINT OF BEGINNING, CONTAINING 69.70 ACRES, MORE OR LESS. NOTE: THIS TRACT MAY HAVE AN OUTSTANDING NON-PARTICIPATING ROYALTY INTEREST (NPRI) WHICH IS A SEPARATE ROYALTY PAYMENT IN ADDITION TO THE ROYALTY PAID TO THE UNITED STATES UNDER THE TERMS OF ANY BLM LEASE ISSUED AND IS PAID BY THE LESSEE DIRECTLY TO THE NPRI OWNER. THIS TRACT MAY HAVE A PRIVATE SHUT-IN WELL(S) THAT WERE DRILLED PRIOR TO THE U.S. GOVERNMENT OBTAINING THE MINERALS. LAVACA NAVIDAD RIVER AUTHORITY PALMETTO BEND PROJECT QUAD #2996211							
200201062 TX JACKSON TX 100.00%				TR IC-157;	137.100 GR-LNRA	A	N
LAVACA NAVIDAD RIVER AUTHORITY PALMETTO BEND PROJECT NOTE: THESE TRACTS MAY HAVE AN OUTSTANDING NON-PARTICIPATING ROYALTY INTEREST (NPRI), WHICH IS A SEPARATE ROYALTY PAYMENT IN ADDITION TO THE ROYALTY PAID TO THE UNITED STATES UNDER THE TERMS OF ANY BLM LEASE ISSUED AND IS PAID BY THE LESSEE DIRECTLY TO THE NPRI OWNER. QUAD #2996211							
200201063 TX SHELBY TX 100.00%				TR S-1a-IV;	322.700 FS1 FS8(TX)CSU#1A FS8(TX)CSU#1J TXNM 60613	A	N
TRACT S-1a-IV: ALL THAT CERTAIN TRACT OR PARCEL OF LAND LYING AND BEING IN SHELBY COUNTY, TEXAS, ON THE WATERS OF BAYOU SIEP, A TRIBUTARY OF SABINE RIVER, AND EMBRACING IN PART THE JAMES FORSYTHE PATENTED SURVEY, A-204, DATED FEBRUARY 24, 1848, AND THE MESSER FAIN PATENTED SURVEY, A-205, DATED NOVEMBER 29, 1871. TRACT S-1a-IV WAS ACQUIRED FROM PICKERING LUMBER COMPANY BY DEED DATED DECEMBER 28, 1935, AND RECORDED IN VOLUME 176, PAGE 410 ET SEQ., DEED RECORDS, SHELBY COUNTY, TEXAS, AND CONTAINS 322.70 ACRES, MORE OR LESS. SABINE NATIONAL FOREST QUAD #3193323							

PARCEL STATE COUNTY MERIDIAN U.S.INTEREST	TOWN SHIP	RANGE	SEC.	SUBDIVISION (A NUMERIC W/O A PREFIX IS A LOT)	ACRES STIPULATIONS NAME OLD SERIAL NO.	ACQUIRED OR PUBLIC DOMAIN	FUTURE INTEREST (YES/NO) REV DATE
200201064 TX SHELBY TX 100.00%				TR TR S1-V; PARCEL #1;	528.500 FS1 FS8(TX)CSU#1A FS8(TX)CSU#1J TXNM 60615	A	N

TRACT S-1-V PARCEL #1:

ALL THAT CERTAIN TRACT OR PARCEL OF LAND LYING AND BEING IN SHELBY COUNTY, TEXAS, ON THE WATERS OF BAYOU BLUE, A TRIBUTARY OF THE SABINE RIVER, EMBRACING IN PART THE MARY ANN HALEY SURVEY, A-276, DATED JUNE 6, 1848. SAID PARCEL IS IDENTIFIED AS TRACT S-1-V PARCEL #1 AND CONTAINS APPROXIMATELY 528.50 ACRES, MORE OR LESS, DESCRIBED AS FOLLOWS FOR MINERAL LEASING PURPOSES ONLY. PARENT TRACT S-1-V WAS ACQUIRED FROM PICKERING LUMBER COMPANY BY DEED DATED DECEMBER 28, 1935, AND RECORDED IN VOLUME 176, PAGE 410 ET SEQ., DEED RECORDS, SHELBY COUNTY, TEXAS. IT IS NOT THE INTENTION OF THIS DESCRIPTION TO INCLUDE ANY LANDS WITHIN THE ADJACENT EXISTING ISSUED BUREAU OF LAND MANAGEMENT (BLM) LEASE TXNM 25666.

BEGINNING AT CORNER 22 OF USFS TRACT NO. S-1-V A POINT COMMON TO THE MARY ANN HALEY SURVEY AND THE T.B. CHOATE SURVEY, A-112, IN THE CENTER OF BAYOU SIEP, A FOREST SERVICE STANDARD CONCRETE POST MARKED S-124 BEARS S 41 DEGREES E, 0.30 CHAIN DISTANT;
THENCE S 41 DEGREES E COMMON TO THE MARY ANN HALEY SURVEY AND THE HEIRS OF ARCHIBALD SMITH SURVEY, A-41, 124.60 CHAINS TO CORNER 23 OF TRACT S-1-V, A FOREST SERVICE STANDARD CONCRETE POST MARKED S-125;
THENCE S 89 DEGREES 15' W., WITHIN THE MARY ANN HALEY SURVEY, 31.10 CHAINS TO CORNER 24 OF TRACT S-1-V;
THENCE S 01 DEGREES E, WITHIN THE MARY ANN HALEY SURVEY, 27.80 CHAINS TO CORNER 25 OF TRACT S-1-V;
THENCE TWO LINES ACROSS TRACT S-1-V AND WITHIN THE MARY ANN HALEY SURVEY;
WEST, 51.13 CHAINS TO A POINT;
NORTH, 122.24 CHAINS TO THE PLACE OF BEGINNING, CONTAINING 528.50 ACRES, MORE OR LESS.

SABINE NATIONAL FOREST
QUAD #3193323
QUAD #3194414

200201065 TX SHELBY TX 100.00%				TR S-1-VII;	534.000 FS1 FS8(TX)CSU#1A FS8(TX)CSU#1J FS8(TX)LN#3B TXNM 88205	A	N
--	--	--	--	----------------	--	---	---

TRACT S-1-VII:

ALL THAT CERTAIN TRACT OR PARCEL OF LAND LYING AND BEING IN SHELBY COUNTY, TEXAS, ON THE WATERS OF BAYOU SIEP AND NORTH BAYOU BLUE, TRIBUTARIES OF SABINE RIVER, AND LYING ENTIRELY WITHIN THE JOHN LATHAM PATENTED SURVEY, A-419 DATED AUGUST 28, 1845. TRACT S-1-VII WAS ACQUIRED FROM PICKERING LUMBER COMPANY BY DEED DATED DECEMBER 28, 1935, AND RECORDED IN VOLUME 176, PAGE 410 ET SEQ., DEED RECORDS, SHELBY COUNTY, TEXAS, AND CONTAINS 534.00 ACRES, MORE OR LESS.

SABINE NATIONAL FOREST
QUAD #3193323

PARCEL STATE COUNTY MERIDIAN U.S.INTEREST	TOWN SHIP	RANGE	SEC.	SUBDIVISION (A NUMERIC W/O A PREFIX IS A LOT)	ACRES STIPULATIONS NAME OLD SERIAL NO.	ACQUIRED OR PUBLIC DOMAIN	FUTURE INTEREST (YES/NO) REV DATE
200201066 TX SHELBY TX 100.00%			TR	S-1-IX, S-1-XI;	102.200 FS1 FS8(TX)CSU#1A FS8(TX)CSU#1J TXNM 67817	A	N
<p>TRACT S-1-XI: ALL THAT CERTAIN TRACT OR PARCEL OF LAND LYING AND BEING IN SHELBY COUNTY, TEXAS, ON THE WATERS OF BAYOU SIEP, A TRIBUTARY OF SABINE RIVER, EMBRACING IN PART THE CYRENA MCCREARY PATENTED SURVEY, A-457, DATED AUGUST 11, 1848. TRACT S-1-XI WAS ACQUIRED FROM PICKERING LUMBER COMPANY BY DEED DATED FEBRUARY 8, 1937, AND RECORDED IN VOLUME 186, PAGE 397, ET SEQ., DEED RECORDS, SHELBY COUNTY, TEXAS, AND CONTAINS 95.00 ACRES, MORE OR LESS.</p> <p>TRACT S-1-IX: ALL THAT CERTAIN TRACT OR PARCEL OF LAND LYING AND BEING IN SHELBY COUNTY, TEXAS, ON THE WATERS OF BAYOU BLUE, A TRIBUTARY OF SABINE RIVER, LYING ENTIRELY WITHIN THE THOMAS HALEY PATENTED SURVEY, A-305, DATED OCTOBER 24, 1854. TRACT S-1-IX WAS ACQUIRED FROM PICKERING LUMBER COMPANY BY DEED DATED FEBRUARY 8, 1937 AND RECORDED IN VOLUME 186, PAGE 397 ET SEQ., DEED RECORDS, SHELBY COUNTY, TEXAS, AND CONTAINS 7.20 ACRES, MORE OR LESS.</p> <p>SABINE NATIONAL FOREST S-1-IX - QUAD #3193323 S-1-XI - QUAD #3193324</p>							
200201067 TX SHELBY TX 0.00%			TR TR	S-1Aa; SEE EXHIBIT B FOR M&B;	1,458.830 FS1,FS8(TX)NSO#2A FS8(TX)CSU#1A FS8(TX)CSU#1C FS8(TX)CSU#1F FS8(TX)CSU#1J FS8(TX)LN#3C FS8(TX)LN#4A TXNM 63796	A	N
<p>*MINERAL INTEREST BREAKDOWN: 100% ON 1285.83 ACRES 50% ON 173.00 ACRES</p> <p>SABINE NATIONAL FOREST QUAD# 3193321</p>							

PARCEL STATE COUNTY MERIDIAN U.S.INTEREST	TOWN SHIP	RANGE	SEC.	SUBDIVISION (A NUMERIC W/O A PREFIX IS A LOT)	ACRES STIPULATIONS NAME OLD SERIAL NO.	ACQUIRED OR PUBLIC DOMAIN	FUTURE INTEREST (YES/NO) REV DATE
200201068 TX SHELBY TX 100.00%			TR	S-1c;	941.800 FS1 FS8(TX)CSU#1A FS8(TX)CSU#1C FS8(TX)CSU#1J FS8(TX)NSO#2B FS8(TX)LN#4A TXNM 60098	A	N
<p>TRACT S-1c: ALL THAT CERTAIN TRACT OR PARCEL OF LAND LYING AND BEING IN SHELBY COUNTY, TEXAS, NEAR THE JUNCTION OF TENAHA BAYOU WITH THE FLAT FORK OF TENAHA BAYOU, LYING ENTIRELY WITHIN THE ELI DEEMER SURVEY, A-150, DATED MARCH 23, 1875. TRACT S-1c WAS ACQUIRED FROM PICKERING LUMBER COMPANY BY DEED DATED DECEMBER 28, 1935 AND RECORDED IN VOLUME 176, PAGE 410 ET SEQ., DEED RECORDS, SHELBY COUNTY, TEXAS, AND CONTAINS 941.80 ACRES, MORE OR LESS, FOR MINERAL LEASING PURPOSES. UNRECORDED EXCHANGE DEED DATED APRIL 2, 1985, EXCHANGED A PORTION OF THE SURFACE OF TRACT S-1c, CONTAINING 711.37 ACRES TO THE SABINE RIVER AUTHORITY. THE U.S. RETAINED ALL MINERAL OWNERSHIP.</p> <p>SABINE NATIONAL FOREST QUAD #3193332</p>							
200201069 TX SHELBY TX 100.00%			TR	S-1e;	132.000 FS1 FS8(TX)CSU#1A FS8(TX)CSU#1J TXNM 93156 <u>PENDING PRESALE OFFER NO. TXNM 105927</u>	A	N
<p>TRACT S-1e: ALL THAT CERTAIN TRACT OR PARCEL OF LAND LYING AND BEING IN SHELBY COUNTY, TEXAS, ON THE WATERS OF STYLE CREEK, A TRIBUTARY OF SABINE RIVER, AND LYING ENTIRELY WITHIN THE HENRY A. REED SURVEY, A-598, DATED JANUARY 9, 1858. TRACT S-1e WAS ACQUIRED FROM PICKERING LUMBER COMPANY BY DEED DATED DECEMBER 28, 1935, AND RECORDED IN VOLUME 176, PAGE 410 ET SEQ., DEED RECORDS, SHELBY COUNTY, TEXAS, AND CONTAINS 132.00 ACRES, MORE OR LESS.</p> <p>SABINE NATIONAL FOREST QUAD #3193333 AND #3194444</p>							
200201070 TX SHELBY TX 100.00%			TR TR TR	S-1g; PARCEL #1; SEE EXHIBIT C FOR M&B;	2,534.300 FS1 FS8(TX)CSU#1A FS8(TX)CSU#1C FS8(TX)CSU#1J FS8(TX)LN#3C FS8(TX)LN#4A TXNM 86225	A	N
<p>SABINE NATIONAL FOREST QUAD #3193332</p>							

PARCEL STATE COUNTY MERIDIAN U.S.INTEREST	TOWN SHIP	RANGE	SEC.	SUBDIVISION (A NUMERIC W/O A PREFIX IS A LOT)	ACRES STIPULATIONS NAME OLD SERIAL NO.	ACQUIRED OR PUBLIC DOMAIN	FUTURE INTEREST (YES/NO) REV DATE
200201071 TX SHELBY TX 100.00%			TR TR TR	S-1g; PARCEL #2; SEE EXHIBIT D FOR M&B;	2,082.500 FS1 FS8(TX)CSU#1A FS8(TX)CSU#1C FS8(TX)CSU#1J FS8(TX)LN#3C FS8(TX)LN#4A TXNM 88203	A	N
SABINE NATIONAL FOREST QUAD #3193332							
200201072 TX SHELBY TX 0.00%			TR TR TR	S-1-I; PARCEL #1; SEE EXHIBIT E FOR M&B;	1,976.580 FS1 FS8(TX)CSU#1A FS8(TX)CSU#1C FS8(TX)CSU#1J FS8(TX)LN#3C FS8(TX)LN#4A FS8(TX)NSO#2A TXNM 77172	A	N
MINERAL INTEREST BREAKDOWN: 100% MINERAL INTEREST ON 1683.76 ACRES 50% MINERAL INTEREST ON 292.82 ACRES SABINE NATIONAL FOREST QUAD #3193323, #3193324							

PARCEL STATE COUNTY MERIDIAN U.S.INTEREST	TOWN SHIP	RANGE	SEC.	SUBDIVISION (A NUMERIC W/O A PREFIX IS A LOT)	ACRES STIPULATIONS NAME OLD SERIAL NO.	ACQUIRED OR PUBLIC DOMAIN	FUTURE INTEREST (YES/NO) REV DATE
200201073 TX SHELBY TX 100.00%				TR S-1r;	105.200 FS1 FS8(TX)CSU#1A FS8(TX)CSU#1C FS8(TX)CSU#1J FS8(TX)LN#3C FS8(TX)LN#4A FS8(TX)NSO#2B TXNM 88204	A	N
<p>TRACT S-1r: ALL THAT CERTAIN TRACT OR PARCEL OF LAND LYING AND BEING IN SHELBY COUNTY, TEXAS, ON THE WATERS OF BAYOU SIEP, A TRIBUTARY OF SABINE RIVER, LYING ENTIRELY WITHIN THE HEIRS OF ARCHIBALD SMITH PATENTED SURVEY, A-641 DATED MAY 5, 1849. TRACT S-1r WAS ACQUIRED FROM PICKERING LUMBER COMPANY BY DEED DATED DECEMBER 28, 1935, AND RECORDED IN VOLUME 176, PAGE 410 ET SEQ., DEED RECORDS, SHELBY COUNTY, TEXAS, AND CONTAINS 105.20 ACRES, MORE OR LESS, FOR MINERAL LEASING PURPOSES. UNRECORDED EXCHANGE DEED DATED APRIL 2, 1985, EXCHANGED A PORTION OF THE SURFACE OF TRACT S-1r, CONTAINING 26.02 ACRES, TO THE SABINE RIVER AUTHORITY. THE U.S. RETAINED ALL MINERAL OWNERSHIP.</p> <p>SABINE NATIONAL FOREST QUAD #3193324</p>							
200201074 TX SHELBY TX 100.00%				TR S-1u,S-1u-I;	951.400 FS1 FS8(TX)CSU#1A FS8(TX)CSU#1J TXNM 60103 TXNM 67817	A	N
<p>TRACT S-1u ALL THAT CERTAIN TRACT OR PARCEL OF LAND LYING AND BEING IN SHELBY COUNTY, TEXAS, ON THE WATERS OF BELL CREEK AND PATROON BAYOU, TRIBUTARIES OF SABINE RIVER, EMBRACING IN WHOLE OR IN PART THE WILLIAM ADAMS PATENTED SURVEY, A-994 DATED FEBRUARY 18, 1890; THE B.F. ADAMS PATENTED SURVEY, A-1083, DATED OCTOBER 9, 1901; THE R.S. FORBUSS PATENTED SURVEY, A-209, DATED DECEMBER 5, 1877; AND THE JOHN HUGHES PATENTED SURVEY, A-318, DATED OCTOBER 3, 1872. TRACT S-1u WAS ACQUIRED FROM PICKERING LUMBER COMPANY BY DEED DATED DECEMBER 28, 1935 AND RECORDED IN VOLUME 176, PAGE 410 ET SEQ., DEED RECORDS, SHELBY COUNTY, TEXAS, AND CONTAINS 950.30 ACRES, MORE OR LESS</p> <p>TRACT S-1u-I ALL THAT CERTAIN TRACT OR PARCEL OF LAND LYING AND BEING IN SHELBY COUNTY, TEXAS, ON THE WATERS OF BELL CREEK BRANCH, A TRIBUTARY OF SABINE RIVER, EMBRACING IN PART THE B.F. ADAMS PATENTED SURVEY, A-1083, DATED OCTOBER 9, 1901. TRACT S-1u-I WAS ACQUIRED FROM PICKERING LUMBER COMPANY BY DEED DATED DECEMBER 28, 1935, AND RECORDED IN VOLUME 176, PAGE 410 ET SEQ., DEED RECORDS, SHELBY COUNTY, TEXAS, AND CONTAINS 1.10 ACRES, MORE OR LESS.</p> <p>SABINE NATIONAL FOREST QUAD #3194414</p>							

PARCEL STATE COUNTY MERIDIAN U.S.INTEREST	TOWN SHIP	RANGE	SEC.	SUBDIVISION (A NUMERIC W/O A PREFIX IS A LOT)	ACRES STIPULATIONS NAME OLD SERIAL NO.	ACQUIRED OR PUBLIC DOMAIN	FUTURE INTEREST (YES/NO) REV DATE
200201075 TX SHELBY TX 100.00%			TR	S-1w;	180.000 FS1 FS8(TX)CSU#1A FS8(TX)CSU#1J TXNM 60102	A	N
TRACT S-1w: ALL THAT CERTAIN TRACT OR PARCEL OF LAND LYING AND BEING IN SHELBY COUNTY, TEXAS, ON THE WATERS OF NORTH BAYOU BLUE AND BAYOU SIEP, TRIBUTARIES OF SABINE RIVER, EMBRACING IN PART THE WILLIAM PIERPOINT SURVEY, A-558, DATED JANUARY 21, 1847, AND THE JAMES FORSYTHE SURVEY, A-204, DATED FEBRUARY 24, 1848. TRACT S-1w WAS ACQUIRED FROM PICKERING LUMBER COMPANY BY DEED DATED DECEMBER 28, 1935, AND RECORDED IN VOLUME 176, PAGE 410 ET SEQ., DEED RECORDS, SHELBY COUNTY, TEXAS, AND CONTAINS 180.00 ACRES, MORE OR LESS. SABINE NATIONAL FOREST QUAD #3193323							
200201076 TX SHELBY TX 50.00%			TR TR TR	S-66; PARCEL #1; SEE EXHIBIT F FOR M&B;	70.140 FS1 FS8(TX)CSU#1A FS8(TX)CSU#1J TXNM 52429	A	N
SABINE NATIONAL FOREST QUAD #3193332							
200201077 TX SHELBY TX 100.00%			TR TR TR TR TR TR TR TR TR	S-1a-I; PARCEL #5A; PARCEL #5B; PARCEL #5C PART 1 AND 2; PARCEL #5D; PARCEL #5E; PARCEL #5F; SEE EXHIBITS 5A-5F; FOR M&B DESCRIPTIONS;	1,951.850 FS1 FS8(TX)CSU#1A FS8(TX)CSU#1J *FS8(TX)LN#6:(#5C,#5F) TXNM 26411 TXNM 26412 TXNM 38657 TXNM 41549	A	N
SABINE NATIONAL FOREST QUAD #3193332 STIPULATIONS APPLY AS FOLLOWS: *FS8(TX)LN#6 APPLIES TO TRACTS S-1a-I PARCEL #5C, AND PARCEL #5F. THIS PARCEL IS WITHIN THE CENTER DEEP UNIT. THE SUCCESSFUL BIDDER MUST JOIN THE CENTER DEEP UNIT AND CENTER DEEP UNIT OPERATING AGREEMENTS PRIOR TO LEASE ISSUANCE. THE SUCCESSFUL BIDDER MUST SUBMIT EVIDENCE OF UNIT JOINDER (TXNM 100001X) PRIOR TO LEASE ISSUANCE. OPERATOR: HARVEY E YATES COMPANY PO BOX 1933 ROSWELL, NM 88202-1933 (505) 623-6601							

PARCEL STATE COUNTY MERIDIAN U.S.INTEREST	TOWN SHIP	RANGE	SEC.	SUBDIVISION (A NUMERIC W/O A PREFIX IS A LOT)	ACRES STIPULATIONS NAME OLD SERIAL NO.	ACQUIRED OR PUBLIC DOMAIN	FUTURE INTEREST (YES/NO) REV DATE
200201078 TX SHELBY TX 100.00%			TR TR TR	S-1a-II; PARCEL #1; SEE EXHIBIT G FOR M&B;	509.840 FS1 FS8(TX)CSU#1A FS8(TX)CSU#1J TXNM 26418	A	N
<p>SABINE NATIONAL FOREST QUAD #3193332</p> <p>THIS PARCEL IS WITHIN THE CENTER DEEP UNIT. THE SUCCESSFUL BIDDER MUST JOIN THE CENTER DEEP UNIT AND CENTER DEEP UNIT OPERATING AGREEMENTS PRIOR TO LEASE ISSUANCE. THE SUCCESSFUL BIDDER MUST SUBMIT EVIDENCE OF UNIT JOINDER (TXNM 100001X) PRIOR TO LEASE ISSUANCE.</p> <p>OPERATOR: HARVEY E YATES COMPANY PO BOX 1933 ROSWELL, NM 88202-1933 (505) 623-6601</p>							
200201079 TX SHELBY TX 100.00%			TR	S-1a-III;	530.000 FS1 FS8(TX)CSU#1A FS8(TX)CSU#1J TXNM 17840	A	N
<p>TRACT S-1a-III: ALL THAT CERTAIN TRACT OR PARCEL OF LAND LYING AND BEING IN SHELBY COUNTY, TEXAS, ON THE WATERS OF CHAMBERS CREEK AND LINDSEY CREEK, TRIBUTARIES OF SABINE RIVER, LYING ENTIRELY WITHIN THE WILLIAM WILLIAMS PATENTED SURVEY, A-776, DATED JANUARY 22, 1856. TRACT S-1a-III WAS ACQUIRED FROM PICKERING LUMBER COMPANY BY DEED DATED DECEMBER 28, 1935, AND RECORDED IN VOLUME 176, PAGE 410 ET SEQ., DEED RECORDS, SHELBY COUNTY, TEXAS, AND CONTAINS 530.00 ACRES, MORE OR LESS.</p> <p>SABINE NATIONAL FOREST QUAD #3194414</p> <p>THIS PARCEL IS WITHIN THE CENTER DEEP UNIT. THE SUCCESSFUL BIDDER MUST JOIN THE CENTER DEEP UNIT AND CENTER DEEP UNIT OPERATING AGREEMENTS PRIOR TO LEASE ISSUANCE. THE SUCCESSFUL BIDDER MUST SUBMIT EVIDENCE OF UNIT JOINDER (TXNM 100001X) PRIOR TO LEASE ISSUANCE.</p> <p>OPERATOR: HARVEY E YATES COMPANY PO BOX 1933 ROSWELL, NM 88202-1933 (505) 623-6601</p>							

PARCEL STATE COUNTY MERIDIAN U.S.INTEREST	TOWN SHIP	RANGE	SEC.	SUBDIVISION (A NUMERIC W/O A PREFIX IS A LOT)	ACRES STIPULATIONS NAME OLD SERIAL NO.	ACQUIRED OR PUBLIC DOMAIN	FUTURE INTEREST (YES/NO) REV DATE
200201080 TX WISE TX 100.00%				TR 390-27; TR PARCEL #4;	212.250 FS1 FS8(TX)CSU#1G FS8(TX)CSU#1I TXNM 86841	A	N

TRACT 390-27 PARCEL #4:

ALL THAT CERTAIN TRACT OR PARCEL OF LAND LYING AND BEING IN WISE COUNTY, TEXAS, AND BEING A PART OF THE JOSEPH LUCE SURVEY, ABSTRACT NO. 498, THE J. ROBERTSON SURVEY, A-725, AND A PART OF THE G.W. PERKINS SURVEY, A-669, AND BEING A PART OF THE ORIGINAL U.S TRACT 390-27. TRACT 390-27 WAS ACQUIRED FROM W.H. PORTWOOD, ET AL., BY CIVIL ACTION NO. 539 SIGNED AUGUST 7, 1944, IN THE FINAL JUDGEMENT OF USA VS 3,426 ACRES OF LAND IN WISE COUNTY, TEXAS, AND W.H. PORTWOOD, ET AL., IN THE DISTRICT COURT OF THE UNITED STATES FOR THE NORTHERN DISTRICT OF TEXAS, FORT WORTH DIVISION, ORIGINALLY CONTAINING 961.29 ACRES, MORE OR LESS. TRACT 390-27 PARCEL #4, CONTAINING 212.25, WAS ONCE WITHIN THE SOUTHEAST ALVORD (BRYSON) UNIT AND IS DESCRIBED AS FOLLOWS FOR MINERAL LEASING PURPOSES:
BEGINNING AT THE SOUTHWEST CORNER OF THE J.S. PERKINS SURVEY, A-694, BEING THE NORTHWEST CORNER OF THE G.W. PERKINS SURVEY, A-669;

THENCE SOUTH, WITH FENCE, 209 VRS TO A POINT ON THE NORTH LINE OF THE J. ROBERTSON SURVEY, A-725, AND MOST WESTERLY SOUTHWEST CORNER OF SAID G.W. PERKINS SURVEY;

THENCE WEST, WITH FENCE, 568.8 VRS TO THE NORTHWEST CORNER OF SAID ROBERTSON SURVEY;

THENCE SOUTH, WITH THE WEST LINE OF SAID ROBERTSON SURVEY, 179.90 VRS TO A FENCE FOR CORNER;

THENCE WEST ACROSS THE SOUTHERN PART OF THE JOSEPH LUCE SURVEY, A-498, AT 522 VRS A POINT ON THE WEST LINE OF SAID LUCE SURVEY;

THENCE SOUTH WITH SAID LUCE LINE, 590.8 VRS TO THE ORIGINAL NORTHWEST CORNER OF THE DAVID MOORE SURVEY, A-587;

THENCE EAST, 1568 VRS TO A POINT ON THE NORTH LINE OF SAID MOORE SURVEY;

THENCE NORTH, 950.2 VRS TO A POINT ON THE SOUTH LINE OF THE J.S. PERKINS SURVEY, SAID POINT BEING THE NORTHEAST CORNER OF THIS TRACT;

THENCE WEST, 475.1 VRS ALONG THE SOUTH LINE OF THE SAID J.S. PERKINS SURVEY, TO THE PLACE OF BEGINNING, THIS TRACT IN ITS ENTIRETY CONTAINING 212.25 ACRES OF LAND, MORE OR LESS.

LBJ NATIONAL GRASSLANDS
QUAD #3397241, #3397242